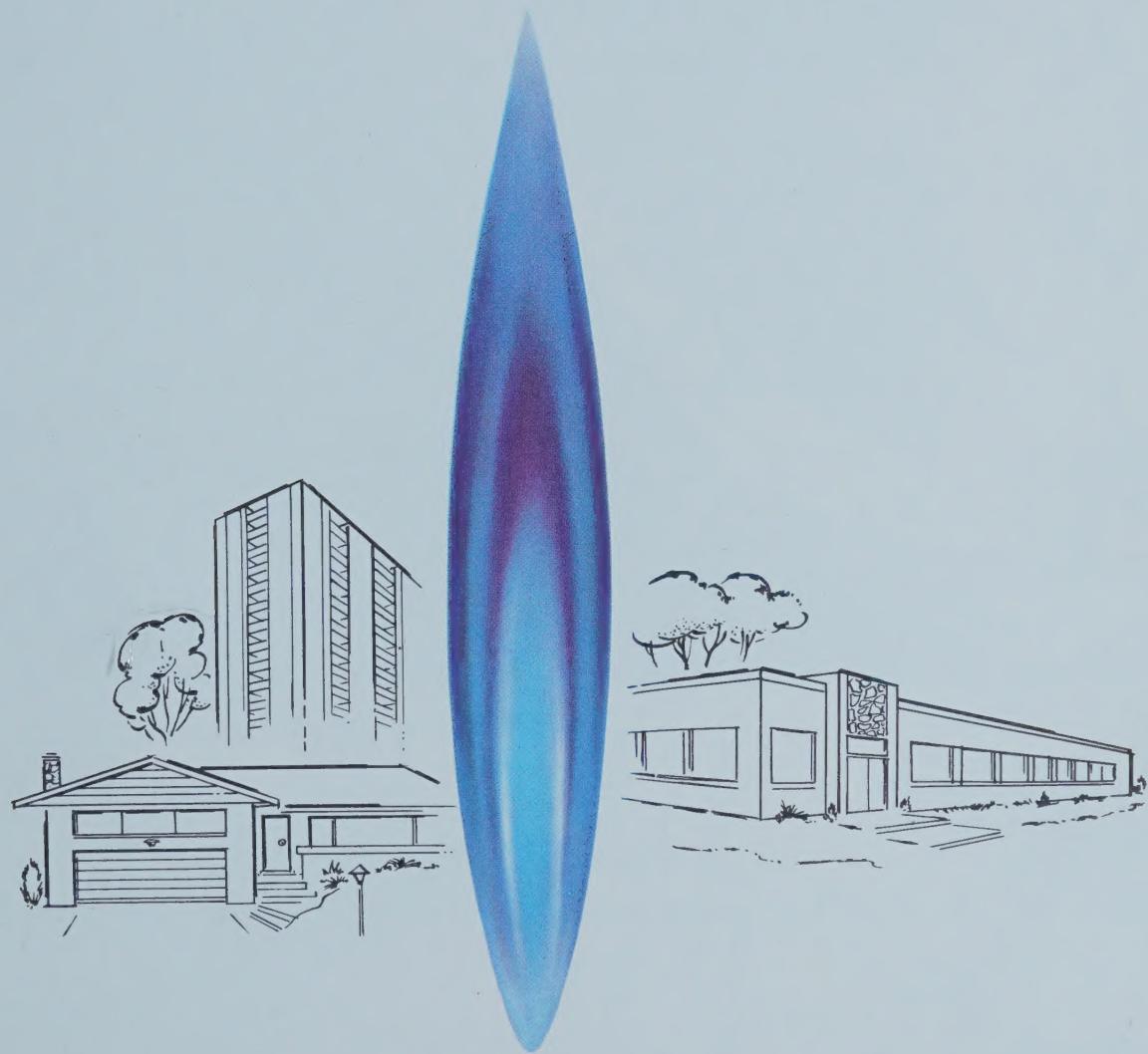




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118th

ANNUAL REPORT

for the year ended September 30th 1966

THE
Consumers' Gas
COMPANY



Consumers' Gas

AND SUBSIDIARIES
SERVICE AREA



QUEBEC



NEW YORK





1967 is Canada's 100th Birthday.
This official symbol is the maple leaf
formed by triangles representing the
Provinces and Territories of Canada.

TO OUR SHAREHOLDERS

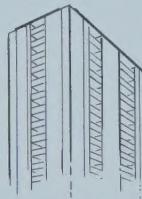
Today, we serve more than 340,000 customers in three categories; residential, commercial and industrial. This represents a substantial growth, built up year after year, since the introduction of natural gas some 12 years ago.

This growth during 1966 was noteworthy as indicated below. Details of the effect which increases in each of these customer classifications have had on the overall business of your Company during 1966 are covered inside this report.

INCREASES IN REVENUE DURING 1966



Residential Customers
(Increased by 5%)



Commercial Customers
(Increased by 23%)



Industrial Customers
(Increased by 10%)

NEW CUSTOMER ACQUISITION is a major Company activity. By using gas in your home or apartment in as many ways as possible; by understanding and explaining its usefulness in the establishment where you work and to your friends, you are able to make a valuable contribution to your Company and its ability to profit you. Inside the back cover of this report there is a request card provided for your convenience. The information you desire will be supplied promptly . . . your interest is greatly appreciated.

NOTE: If you would like information sent to persons of your acquaintance please indicate on the card or enclose details in an envelope directed to Mr. O. L. Jones, President and General Manager, Consumers' Gas, 19 Toronto Street, Toronto. Such requests will receive the same personal attention as your own.

118th ANNUAL REPORT

for the year ended September 30, 1966

The Consumers' Gas Company • 19 Toronto Street • Toronto

Serving customers in

Central Ontario—through **Consumers' Gas**

Niagara Peninsula—through **Provincial Gas**

Grimsby area—through **Grimsby Gas**

Ottawa and Ottawa River Valley area—through **Ottawa Gas**

Brockville—through **Brockville Gas**

Hull, Quebec area—through **GAZ DE HULL**

Northern New York State—through **St Lawrence Gas**

and providing gas storage in

Southwestern Ontario – through **Tecumseh Gas Storage**



Visit Expo 67 in Montreal

The Consumers' Gas Company

Directors

A. L. BISHOP*

*Chairman of the Board—The Consumers' Gas Company
Chairman of the Board—Provincial Gas Company Limited
Vice-President—Canada Permanent Trust Company
Director—Canadian Imperial Bank of Commerce
Director—The Consolidated Mining and Smelting Company of Canada, Limited*

OAKAH L JONES*

*President and General Manager—The Consumers' Gas Company
Vice-President and Director—Provincial Gas Company Limited
Director—Eastern & Chartered Trust Company
President—The Sheridan Park Corporation*

J. A. NORTHEY*

*Chairman of the Board—Telfer Paper Box Company Limited
Chairman of the Board—Zurich Life Insurance Company of Canada
Director—Shaw & Begg Limited*

J. K. MACDONALD*

*President—Confederation Life Association
Director—Dominion Scottish Investments Limited
Director—Canada Permanent Trust Company*

A. R. POYNTZ

*Chairman of the Board & President—The Imperial Life Assurance Company of Canada
Director—M.E.P.C. Canadian Properties Limited
Director—Impco Properties Limited
Director—Gelco Enterprises Limited
Director—The Investors Group*

M. GEARY

*Secretary and Assistant Treasurer—The Consumers' Gas Company
Assistant Secretary and Assistant Treasurer—Provincial Gas Company Limited*

G. E. CREBER, Q.C.

*Director—Eddy Paper Company Limited
Director—George Weston Limited
Director—The Canada Trust Company
Director—Burns Foods Limited
Director—Union Oil Company of Canada Limited*

W. H. ZIMMERMAN, Q.C.

*President—Commonwealth International Corporation Limited
President—Commonwealth International Leverage Fund Limited
Executive Vice-President & Director—Canadian Channing Corporation Limited
Director—Scythes and Company Limited*

HON. T. D'ARCY LEONARD, Q.C.

*Vice-President—Canada Permanent Mortgage Corporation
Director—Canada Permanent Trust Company
Director—Canadian Industries Limited
Director—Toronto & London Investment Company Limited
Chairman of the Board—Triarch Corporation Limited*

W. B. C. BURGOYNE

*President and Publisher—The St. Catharines Standard
President—The Niagara District Broadcasting Company Limited
Member—St. Catharines Advisory Board, The Canada Trust Company
Director—Canadian General-Tower Limited*

R. H. CARLEY

*President—Carley, Lech & Fitzpatrick
President—Colonial Weaving Company Limited
Chairman—Peterborough Industrial Development Organization
Director—Kesco Holdings Limited*

NOAH TORNO

*Director—Distillers Corporation—Seagrams Limited
Director—Cemp Investments (Ontario) Limited
Director—The Canada Trust Company*

J. WILLIAM HORSEY

*Chairman Emeritus—Salada Foods Limited
Vice-President and Director—Canadian Imperial Bank of Commerce
Director—Crown Trust Company*

J. D. GIBSON

*Director—The Imperial Life Assurance Company of Canada
Director—J. M. P. M. Enterprises Limited and M. J. L. Securities Limited*

J. G. GLASSCO

*President—Brazilian Light and Power Company Limited
Vice-President and Director—Canadian Imperial Bank of Commerce
Director—McIntyre Porcupine Mines Limited*

HIS WORSHIP THE MAYOR OF TORONTO

PHILIP G. GIVENS, Q.C. (EX-OFFICIO)

*Executive Committee

Officers and Department Heads

A. L. BISHOP, M.E.I.C.

Chairman of the Board

OAKAH L JONES

President and General Manager

M. GEARY

Secretary & Assistant Treasurer

F. W. HURST

Vice-President, Treasurer & Assistant Secretary

J. C. McCARTHY

Vice-President & General Sales Manager

W. M. KELLY

Vice-President & General Superintendent of Distribution

G. W. CARPENTER

Vice-President & General Superintendent of Gas Supply

R. L. GOODENOUGH

Comptroller

K. J. HARRY

Assistant Treasurer

Ottawa Executive Board:

A. BETCHERMAN, Chairman

ORIAN LOW, Q.C.

OAKAH L JONES

E. S. HOWARD

President & General Manager, Provincial Gas Company Limited

C. H. RAHN

President, Grimsby Natural Gas Company Limited

L. MASSÉ

President, Société Gazifère de Hull, Inc.

D. VIEN

Vice-President and Secretary, Société Gazifère de Hull, Inc.

H. LAVERGNE

General Manager, Société Gazifère de Hull, Inc.

H. J. FRANK

Chairman of the Board, St. Lawrence Gas Company, Inc.

D. W. LINDSTEDT

General Manager, Eastern Area and Vice-President St. Lawrence Gas Company, Inc.

W. F. BENSON

General Manager, St. Lawrence Gas Company, Inc.

A. T. LEWIS, Q.C.

R. N. SEGUIN, Q.C.

Report to the Shareholders

TO OUR SHAREHOLDERS:

I am pleased to report continued growth of your Company during the 1966 fiscal year.

Gross revenue for the first time in the Company's history exceeded \$100 million reaching \$103,266,000, an increase of \$9,139,000 over 1965.

Consolidated earnings per common share were 79¢ in 1966 compared with 68¢ in 1965. The consolidated net income from which the preferred and common shareholders receive a return on their investment increased by \$1,713,000 over 1965. A portion of this increase is retained by your Company for contingent and unforeseen items and to assist in the Company's growth.

The foregoing continued progress is the result of: (1) increasing acceptance of natural gas as the ideal fuel for all residential, commercial and industrial purposes as evidenced by the increased number of customers and increased usage; (2) close control of expenditures for all purposes and the co-operation of your Company's employees in seeing that your Company receives full value for the dollars spent.

No public financing has taken place recently and for the present your Company is continuing to obtain a portion of its capital needs from an approved line of credit with the chartered banks. Capital budget requirements for the next fiscal year are estimated at \$27,000,000.

Your Company, because of the increasing demands of its entire service area, will have need for additional gas by the fall of 1967. We have therefore continued to keep closely in touch with gas suppliers in Canada and the United States for available supplies at competitive prices. We have supported and are continuing to support the efforts of our major supplier—Trans-Canada Pipe Lines Limited—in its efforts to bring additional supplies of gas from Alberta to Ontario by way of a line partly in the United States, as being the most competitive and beneficial to Canada, to Ontario, and to our present and future customers. Gas at competitive prices is essential to Ontario's industrial development.

We are pleased to report a further growth in the number of common shareholders from 21,589 at September 15, 1965 to 22,757 at September 10, 1966, of whom 97.4% are Canadian residents. This is particularly significant when compared with 7,025 shareholders in 1955.

A detailed analysis of the annual report will show that we have continued our policy of sharing our growth with our customers by maintaining low competitive rates, with our employees by wage and salary increases, with our shareholders by increased return on their investment, and with the public by major increases in all types of taxes—municipal, provincial and federal.

Yours sincerely,



Chairman of the Board.

November 1, 1966

1966 Highlights



Summary of Operations

The Area We Serve

As we prepare for the 100th birthday of our country next year, we mark this year the 118th anniversary of The Consumers' Gas Company. We are proud of this long record of growth and service, and are encouraged by prospects for the future.

The area served by your Company's system continues to be one of the fastest growing areas of North America with a population of 3,490,000 people or approximately one-sixth of the population of Canada.

New distribution systems were installed in fifteen communities in central Ontario and two communities in northern New York State during 1966 bringing to 167 the total number of communities supplied by your Company's pipeline systems.

Growth

The progress this year over last, with a comparison as well to eleven years earlier, the first full year with natural gas, is shown by a glance at these maps and the summary below:



	1966	1965	Increase	%	1955
GAS SALES REVENUE					
Residential	\$52,432,000	\$50,000,000		5	\$8,475,000
Commercial	19,853,000	16,203,000		23	1,929,000
Industrial	24,897,000	22,664,000		10	2,008,000
GAS SALES—MCF					
Residential	40,885,000	38,883,000		5	2,498,000
Commercial	21,306,000	16,918,000		26	629,000
Industrial	41,212,000	38,203,000		8	810,000
NUMBER OF CUSTOMERS					
Residential	319,029	310,739		3	148,200
Commercial	20,837	18,530		12	5,314
Industrial	4,087	4,043		1	1,864
AVERAGE USE PER RESIDENTIAL CUSTOMER—MCF	126.8	125.2		2	16.9
POPULATION OF AREA SERVED .	3,490,000	3,340,000		5	1,275,000
AVERAGE USE PER CAPITA WITHIN AREA SERVED—MCF	29.6	28.1		6	3.1
COST TO CUSTOMER					
AVERAGE REVENUE PER MCF					
Residential	\$1.28	\$1.29			\$3.39
Commercial	\$.93	\$.96			\$3.07
Industrial	\$.60	\$.59			\$2.48

first full year with natural gas (Consumers' Gas Only)

Sales and Revenue

For the first time in your Company's history, gross revenue exceeded the one hundred million dollar mark to reach \$103,266,000. This was an increase of \$9,139,000 or nearly 10% over last year.

Revenues from all classes of service increased with the largest gain being in commercial sales.

System-wide gas sales totalled 103 billion cubic feet in 1966 as compared with 94 billion cubic feet in 1965. Peak day deliveries increased to 524 million cubic feet, compared with 490 million cubic feet in the prior year.

Residential Revenue from residential sales increased to \$52,432,000 from \$50,000,000 last year, a 5% increase, although the weather for the year, measured by degree days, was slightly less severe than the previous year. The number of house heating installations increased by 14,100 this year compared with an increase of 20,100 last year, reflecting primarily a lower building rate of new housing units. Residential customers using gas for space heating now number 242,100, which amounts to approximately 75% of total residential customers. Average gas usage per residential customer continues to grow as existing customers add heating and other appliances—126.8 MCF this year compared with last year's 125.2 MCF.

Since total potential residential customers in your Company's service area exceed 740,000, the number on line at the end of 1966 represents approximately 43% of total available residential customers.

Commercial Gas revenue in the commercial category, which includes sales to apartment buildings, government buildings, schools, stores, etc., increased by a very gratifying 23% over last year. The revenue from this class of service reached \$19,853,000, up \$3,650,000 over last year.

The increased demand for natural gas in large central heating plants has resulted from widespread acceptance of its efficiency, competitive cost, and value in reducing air pollution. This acceptance of natural gas is evidenced in the Imperial Life's 16-storey office building and The Towne apartment-office-shopping complex both being built in Toronto and the National Research Council's laboratory in Ottawa. In addition, the Cliff Street Heating Plant, which has been using natural gas to heat the Federal Parliament Buildings in Ottawa for the past year, will also supply heat to the Chateau Laurier, a Canadian National Hotel, in early 1967 and later the National Defence Headquarters, the Performing Arts Building, and the National Library when these buildings are completed.

Apartment buildings with a total of some 16,000 suites became heating customers in 1966, bringing to 48,000 suites the total using gas for heating.

Industrial Revenue from industrial sales increased by \$2,233,000 or 10% over last year, a continuance of the favourable growth in this category of gas sales. Good transportation facilities, abundant water and energy resources, and access to a large pool of both skilled and unskilled labour all combine to make our service area extremely attractive for the location of industry.

It is an accepted fact that the availability of natural gas at competitive prices in a community is a forerunner of industrial development. Your Company has an Industrial Development Department which actively assists the various communities in their economic growth.

Typical of plant expansion are Pilkington Brothers (Canada) Limited and Consumers' Glass Company Limited in Toronto where natural gas permits close temperature control and fuel economies essential to modern glass production. The Cyanamid of Canada Limited plant in Welland recently began purchasing additional gas under the contract mentioned in last year's annual report.

Near Canton, New York, which is served by your Company's subsidiary, St. Lawrence Gas Company, Inc., the Corning Glass Works recently has completed a plant in which natural gas will be used for heating and processing.

Smoke Abatement and Air Pollution Since natural gas is virtually sulphur free and burns without the emission of solids, it is the ideal fuel in the war against atmospheric contamination. Your Company is alert to the developments in this field and offers assistance to air pollution authorities wherever possible.

Other Operating Revenue The 23% increase in other operating revenue is due to the continuing popularity of our Appliance Rental Plan. This Plan, along with our Finance Plan, is an important means of increasing the number of appliances on customers' premises so that they can take advantage of savings under our "multiple-use" rates.

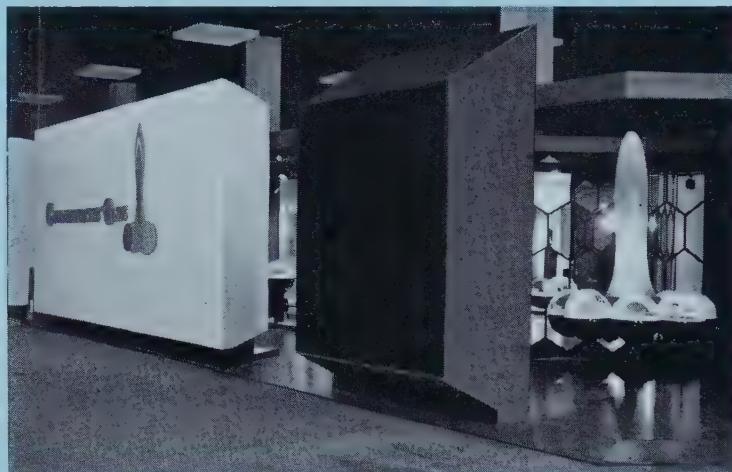
Other Income Included in other income is a dividend of \$180,000 received from Tecumseh Gas Storage Limited, which is jointly owned by your Company and Imperial Oil



Recently completed, the Corning Glass Works' fused silica products plant near Canton, N.Y., uses natural gas supplied by St. Lawrence Gas, for processing and space heating.



The new eight million dollar Civic Centre in Ottawa, when completed, is expected to be the world's largest infra-red heating installation. A total of 206 units, fired by natural gas supplied by Ottawa Gas, will heat the entire area. Infra-red heaters have the advantage of bringing comfort to spectators without increasing the air temperature. In this way, the ice surface of the hockey arena will not be affected. This installation was obtained at competitive prices after serious consideration had been given to all competing sources of energy.



The display in the Skylon, spectacular new building in Niagara Falls, features the historical development of natural gas, with particular reference to the part played by the Niagara area, served by Provincial Gas. Many visitors, of all ages, enjoy this public service presentation by your Company.



Natural gas is the preferred fuel in the modern home for central heating, water heating, cooking, and clothes drying. More than 9 out of 10 new homes being built today in your Company's service area use natural gas for central heating.



Above—Ontario Research Foundation (left), the Atomic Energy Commission (centre back) and Dunlop Research Centre located in the Sheridan Industrial Park on the Queen Elizabeth Way west of Toronto, use natural gas extensively. Other companies having research facilities in this park, and using natural gas, include B.A. Oil, International Nickel, Abitibi Paper, Warner Lambert and Cominco.



Above—Pilkington Glass Company in Toronto uses a large volume of natural gas for industrial processing.



Pen Centre Shopping Plaza (above left) as it appeared in our 1959 Annual Report and as it is today. Since inception, this project has continued to be an important user of natural gas. The Blue Flame Auditorium located in the Plaza demonstrates the many advantages of natural gas to the growing audience attracted by this modern Plaza in the Niagara Peninsula.



Limited. This is the first dividend declared by Tecumseh since the start of operations in July 1964, over two years ago.

Gas Supply, Storage and Exploration

The cost of purchasing and storing the volumes of natural gas needed to supply our continuously increasing market demand, exceeds by far, any other single item of expense. Almost 75% of this year's total operating and maintenance expense of \$67,465,000 was needed to purchase our gas supply and pay storage costs. With such a high proportion of operating and maintenance expenses arising in gas purchase and storage costs, a major effort is directed toward minimizing these costs while maintaining an ample and dependable volume every day of the year at the customer's meter.

Your Company's gas supply is purchased almost entirely from Trans-Canada Pipe Lines Limited. Volumes under contract and in storage inventory are sufficient to meet normal requirements through the coming year. Additional volumes required to meet anticipated growth in the 1967-68 year and thereafter, covered by further agreements with Trans-Canada, are dependent upon favourable action by the Federal Power Commission of the United States on Trans-Canada's Great Lakes project to bring additional supplies of western Canadian gas to eastern Canada partially through the United States. The Government of Canada has already approved the project on the recommendation of the National Energy Board. Your Company has actively participated in hearings before these regulatory bodies in support thereof.

A rejection of the Great Lakes project by the Federal Power Commission would require either a re-negotiation of the new agreements with Trans-Canada, or arrangements for an additional supply through import from the United States. Which course is followed will depend upon the availability of sufficient quantities of gas at the most attractive prices. We are confident that additional gas will be available at competitive prices to supply our future market growth.

The use of extensive underground gas storage facilities located in southwestern Ontario enables your Company to purchase its annual requirements on a most economic basis. These storage arrangements are under long-term agreements in fields owned by Union Gas Company of Canada, Limited and Tecumseh Gas Storage Limited. Of the 524 million cubic feet required to supply our maximum day's sendout during the past winter season, 204 million cubic feet or nearly 40% were obtained from these underground storage facilities.

A small underground storage pool has been developed in the Niagara Peninsula and will be utilized to meet peak day requirements during the forthcoming winter. The close proximity of this pool to our market area increases its value in the over-all supply picture.

The results of exploratory drillings by your Company for new natural gas producing areas under Lake Erie have been favourable. Further drilling in this area is contemplated during 1967. Your Company is also participating in minor exploration programmes for the production of natural gas and oil with Canadian Delhi Oil Limited in southwestern Ontario, with Home Oil Company Limited in Alberta, and with Amax Petroleum Corporation in various locations in the western provinces.

Sales, Service and Other Costs

By means of continuing efforts by all personnel to seek technological improvements and higher productivity and efficiency, your Company has been able to prevent substantial increases in operating costs while improving service to its customers. During the year, improvements were made to our communication systems, service crew despatch operations, and in the wider application of our computer equipment to assist sales, distribution, and customer accounting needs.

Taxes

The increase in the provision for Income Taxes to \$4,595,000 from \$3,668,000 last year is attributable to the increase in taxable income resulting almost entirely from the expanded volume of operations. Your Company continues to take advantage, for the benefit of customers and investors, of the provisions of the Income Tax Act providing for capital cost allowances which result in deductions for income tax purposes exceeding recorded book depreciation. Accordingly, your Company has consistently followed the practice known as

“flow through” accounting which results in the passing on of benefits derived therefrom to customers and investors. Reductions in income tax due to such excess of capital cost allowances over book depreciation continue at high levels as system growth continues.

Municipal and other taxes have increased, from \$2,278,000 in 1965 to \$2,514,000 in 1966, a 10% increase. Your Company now pays property taxes in the 167 communities served equivalent in total to taxes paid by 6,000 average six-room homes or the entire tax revenues of communities such as Richmond Hill, Port Colborne, or Brockville of approximately 20,000 people.

Earnings and Dividends

Your Company's consolidated net income increased to \$13,443,000 in 1966 from \$11,730,000 in 1965. After provision for preferred stock dividends, the remainder amounts to 79c per share in 1966 as compared to 68c per share in 1965. Common shares outstanding at the end of the respective periods were 15,865,948 and 15,830,448.

The quarterly dividend rate on common shares was increased by 2c per share to 12c per share commencing with the January 1, 1966 payment. A further increase of 2c per share to 14c per share was authorized by your Directors for payment on October 1, 1966. This increase is the eighth increase in dividend payments since the introduction of natural gas in 1954. Over the same period, natural gas rates have been reduced nineteen times and wage rates have been increased twelve times.

Property, Plant, Equipment, and Investments

Net capital expenditures during the year amounted to approximately \$25,468,000. Of this, \$1,700,000 represents the cost of expanding the distribution system to serve the communities of Beaverton, Sutton, Jacksons Point, Keswick, Bolton, Nobleton, Schomberg, Shelburne, Orono and Tottenham. The decision to serve these communities emphasizes your Company's desire to facilitate industrial and other growth in areas where it holds franchises and is also part of our long range plan of having all communities served by a two-way supply of gas, when later the new lines south of Lake Simcoe are connected to the pipeline system now serving the Lindsay-Peterboro area. \$5,300,000 was used to purchase appliances for rental—primarily water heaters. A new six-storey office building is being constructed in St. Catharines at a cost of \$1,964,000 and will be ready for occupancy shortly. The Provincial Gas Company Limited will occupy most of two floors; the remainder will be rented to others. A combined office-service centre in Ottawa has been completed at a cost of approximately \$800,000 and was recently opened by His Worship, Mayor Donald Reid.

Former gas manufacturing facilities in Ottawa and Toronto have been sold as they were determined to be no longer economically useful in natural gas operations. Profit from these sales, amounting to \$1,436,000, has been credited directly to Retained Earnings because of its non-recurring nature.

During the year, your Company assumed the ownership and obligations on first mortgages on 170 houses on which the Company held second mortgages. The properties so acquired are being well maintained with a high occupancy rate. Their acquisition is responsible for most of the increase in “Mortgages Payable” and “Other Assets” accounts.

Gross capital expenditures for the coming year are estimated at \$27,000,000 of which \$15,000,000 is expected to be required for mains, services, and other gas distribution facilities to connect new customers.

Research and Development

Rapid developments in gas equipment and usage require increased effort to maintain our position as a leader in the natural gas industry. To keep up with the latest developments, a Research and Development Advisory Committee has been formed within your Company. Its function is to analyze and co-ordinate all Company research programmes and to find new residential, commercial and industrial applications for gas appliances and equipment for further market development.

Through surveillance of other research programmes throughout the gas and other industries, the committee is able to advise on the latest advances being made in order to channel research activity to obtain the greatest value for each research dollar spent. Every effort is being made to take advantage of available

income tax and research grants inducements to research for approved projects. Wherever possible, your Company will be working and sharing costs with research organizations and others having mutual interests.

Financing

No long-term financing was necessary during the past year. The bond and debenture issues totalling in excess of \$36,000,000 made in early 1965 placed your Company in the very fortunate position during these periods of unusually high interest rates of being able to meet financing requirements from its approved lines of credit with the chartered banks and from other short-term borrowing. No long-term financing is contemplated in the immediate future.

There were 22,757 common shareholders registered as at September 10, 1966 compared with 21,589 as at September 15, 1965. This continuing increase in the number of common shareholders is an encouraging sign of wider investor interest in holding equities generally and in your Company in particular. Of all shareholders registered, 97.4% are listed as residents of Canada, and they hold 95.6% of the common shares outstanding.

The debt-equity ratio at September 30, 1966 continues to be conservative at 51% funded debt, 6% preferred stock, and 43% common equity.

Regulation

During the past year, significant new legislation and regulations were enacted in Ontario which your Company is studying carefully. Many of the provisions are designed to improve disclosure of corporate information for investors in companies within Ontario's jurisdiction and, for the natural gas distribution industry, include a classification of accounts. Because of your Company's past policies of full disclosure, it is anticipated that the conduct of your Company's affairs in future will not be materially affected by these new changes.

Rate orders by appropriate regulatory commissions have continued in force and there were no public hearings before these bodies during the past year. It is contemplated that public hearings may be held during the coming year for purposes of bringing earlier rate proceedings up to date.

Advisory Services

Subject to the control of the Board of Directors, Stone & Webster Canada Limited, with 77 years of experience in public utility operations, continues to give consulting and advisory services to your Company.

Management and Staff

It is a pleasure to welcome Mr. J. D. Gibson and Mr. J. G. Glassco to your Board of Directors. Both of these men are well known and respected throughout the business and financial community of Canada.

The development of our men and women for increased responsibility throughout the Company is recognized as one of the most important tasks of your management. During the past year, many rotations of senior positions have been made with a view to giving our men and women well-rounded experience in diverse areas of your Company. Our employees are encouraged to participate in community affairs and are active in many worthwhile endeavours.

We have continued to supply consulting services to several gas distributors in the United Kingdom and Europe. So far, your Company has completed four contracts, has three underway and is about to commence two more. These contracts have been in England, Scotland, Belgium, Spain and Germany. The experience, techniques and know-how acquired during the twelve years since the arrival of natural gas in central Ontario have prepared our personnel to provide these services and this consulting work provides further operating experience and development for our men.

The relationship of your Company with its unionized employees continued in excellent harmony throughout the year. New contracts were negotiated during the year which generally continue in force until 1968.



President and General Manager.

Consolidated Balance Sheet

The CONSUMERS' GAS COMPANY and subsidiary companies

ASSETS

September 30

	<u>1966</u>	<u>1965</u>
PROPERTY, PLANT AND EQUIPMENT, at cost or redetermined value (Note 1)	\$312,107,000	\$290,785,000
Lands, structures, gas transmission and distribution systems, equipment, motor vehicles, unamortized franchise and permit costs, etc.		
Less depreciation	36,774,000	33,919,000
	<u>275,333,000</u>	<u>256,866,000</u>
CURRENT ASSETS		
Cash	774,000	630,000
Cash held by trustee for bondholders (Note 2)	50,000	236,000
Accounts receivable (including accounts receivable on merchandise finance plan, 1966 \$7,948,000, 1965 \$8,178,000) . . .	15,777,000	16,770,000
Materials and supplies at the lower of cost and market	2,201,000	2,166,000
Gas stored underground at cost	9,257,000	7,090,000
Prepaid expenses	690,000	619,000
	<u>28,749,000</u>	<u>27,511,000</u>
SHARES IN TECUMSEH GAS STORAGE LIMITED at cost (Note 3)	3,000,000	3,000,000
OTHER ASSETS AND DEFERRED CHARGES		
Mortgages receivable	8,503,000	8,741,000
Special federal refundable tax	327,000	—
Other assets	4,154,000	2,759,000
Unamortized debt discount and expense .	2,256,000	2,493,000
Other deferred charges	456,000	478,000
	<u>15,696,000</u>	<u>14,471,000</u>
Approved on behalf of the Board:		
A. L. BISHOP, Director		
OAKAH L JONES, Director		
	<u><u>\$322,778,000</u></u>	<u><u>\$301,848,000</u></u>

See accompanying notes to financial statements.

LIABILITIES

September 30

	<u>1966</u>	<u>1965</u>
SHAREHOLDERS' EQUITY		
Capital stock		
Preference shares		
Authorized—250,000 shares of \$100 each issuable in series		
Issued (Note 4)	\$ 18,000,000	\$ 18,000,000
Common shares (Note 5)		
Authorized —25,000,000 shares without par value		
Issued —15,865,948 shares . . .	53,181,000	52,950,000
To be issued—5,340 shares	35,000	35,000
Contributed surplus	2,977,000	2,977,000
Excess of net redetermined value of property, plant and equipment over depreciated book cost (Note 1)	26,236,000	26,767,000
Retained earnings (Note 6)	39,771,000	33,261,000
	<u>140,200,000</u>	<u>133,990,000</u>
LONG TERM DEBT		
Funded debt (Note 7)	142,747,000	145,824,000
Mortgages payable	1,649,000	283,000
	<u>144,396,000</u>	<u>146,107,000</u>
CURRENT LIABILITIES		
Bank borrowings	14,357,000	2,980,000
Notes payable	400,000	
Accounts payable and accrued	11,851,000	10,085,000
Accrued interest on long term debt . . .	1,862,000	1,905,000
Taxes payable	6,030,000	4,070,000
Dividends payable October 1	2,464,000	1,827,000
Sinking fund requirements payable within one year	1,218,000	884,000
	<u>38,182,000</u>	<u>21,751,000</u>
	<u><u>\$322,778,000</u></u>	<u><u>\$301,848,000</u></u>

See accompanying notes to financial statements.

Consolidated Statement of Income

The CONSUMERS' GAS COMPANY and subsidiary companies

Year ended September 30

	<u>1966</u>	<u>1965</u>
REVENUE		
Gas sales	\$ 97,183,000	\$ 88,867,000
Other operating revenue (including appliance rentals)	4,366,000	3,541,000
Interest (including merchandise finance plan) and property rentals	1,452,000	1,686,000
Profit on sale of property (other than amounts included in retained earnings) and other income	265,000	33,000
	<u>103,266,000</u>	<u>94,127,000</u>
COSTS AND EXPENSES		
Operation and maintenance costs (including directors' fees, 1966 \$27,950, 1965 \$27,200)	67,465,000	62,185,000
Depreciation	7,001,000	6,340,000
Municipal and other taxes	2,514,000	2,278,000
Interest on long term debt	7,789,000	6,930,000
Other interest	351,000	880,000
Amortization of debt discount and expense	108,000	101,000
Other expenses	—	15,000
	<u>85,228,000</u>	<u>78,729,000</u>
Income before income taxes	18,038,000	15,398,000
Income taxes (Note 8)	4,595,000	3,668,000
NET INCOME	<u>(13,443,000)</u>	<u>11,730,000</u>
Dividends on preference shares	975,000	975,000
Earnings on common shares	<u>\$ 12,468,000</u>	<u>\$ 10,755,000</u>
Dividends on common shares (1966— 50 cents, 1965—39 cents per share) . . .	7,925,000	6,172,000
Net income after dividends	<u>\$ 4,543,000</u>	<u>\$ 4,583,000</u>

See accompanying notes to financial statements.

Consolidated Statement of Retained Earnings

The CONSUMERS' GAS COMPANY and subsidiary companies

Year ended September 30

	<u>1966</u>	<u>1965</u>
Balance at beginning of year	\$ 33,261,000	\$ 27,337,000
Net Income after dividends	4,543,000	4,583,000
Amounts realized through depreciation provisions, transferred from excess of net re-determined value of property, plant and equipment over depreciated book cost . .	531,000	532,000
Profit on sale of surplus property	1,436,000	809,000
Balance at end of year	<u>\$ 39,771,000</u>	<u>\$ 33,261,000</u>

Consolidated Statement of Source and Use of Funds

Twelve year period since conversion to natural gas
1955 — 1966

	Year ended September 30	
	<u>1966</u>	<u>1965</u>
SOURCE OF FUNDS		
\$ 120,266,000	Addition to working capital from operations	\$ 20,552,000
156,850,000	Issue of funded debt	—
56,667,000	Issue of preference and common shares .	231,000
5,303,000	Profit on property sales taken into retained earnings	1,436,000
1,649,000	Mortgages assumed	1,366,000
—	Miscellaneous items	—
<u>340,735,000</u>	<u>23,585,000</u>	<u>55,671,000</u>
USE OF FUNDS		
259,557,000	Net additions to property, plant and equipment	25,468,000
12,657,000	Investment in mortgages and other assets	1,157,000
3,000,000	Investment in shares of Tecumseh Gas Storage Limited	—
3,675,000	Expenditures on conversion to natural gas	—
22,343,000	Reduction in non-current portion of long term debt	3,077,000
4,826,000	Capital stock and funded debt issue costs	—
45,856,000	Dividends on preference and common shares	8,900,000
654,000	Miscellaneous items	176,000
<u>352,568,000</u>	<u>38,778,000</u>	<u>32,279,000</u>
<u>\$ (11,833,000)</u>	<u>\$ (15,193,000)</u>	<u>\$ 23,392,000</u>
INCREASE (DECREASE) IN WORKING CAPITAL POSITION		

See accompanying notes to financial statements.

Notes to Financial Statements

The CONSUMERS' GAS COMPANY and subsidiary companies

NOTE 1

PROPERTY, PLANT AND EQUIPMENT

Plant and equipment acquired subsequent to the companies' 1955 fiscal years and plant and equipment of Niagara Gas Transmission Limited are stated at cost. The remaining plant and equipment is stated at redetermined value based on reproduction cost, according to appraisals made by Stone & Webster Canada Limited at the end of the companies' 1955 fiscal years assuming construction as a whole in one continuous effort. Land is stated at cost.

The balance sheet deduction for depreciation is the observed depreciation reported in the appraisals at the end of the companies' 1955 fiscal years increased by the amount necessary to provide for gas plant determined to be no longer useful plus subsequent depreciation provisions calculated on a straight line basis using the stated values of depreciable assets and less adjustments for disposals.

The increase in depreciated property, plant and equipment, resulting from the 1955 redetermination (less portions of such increase realized through disposals and depreciation provisions and adjustments for the years 1956 to 1966) has been included in shareholders' equity as excess of net redetermined value of property, plant and equipment over depreciated book costs.

NOTE 2

CASH HELD BY TRUSTEE FOR BONDHOLDERS

Under terms of the trust indenture, certain proceeds of the sale of bonded property are held by the trustee pending release on the addition of other property to specific pledge.

NOTE 3

SHARES IN TECUMSEH GAS STORAGE LIMITED

Tecumseh Gas Storage Limited, which operates natural gas storage pools, is owned 50% by the company and 50% by Imperial Oil Limited. The company's interest in the undistributed earnings of Tecumseh to March 31, 1966, the end of its latest fiscal year, amounted to \$145,463. This amount has not been taken into the company's accounts.

NOTE 4

PREFERENCE SHARES

Issued

	1966	1965
50,000 shares 5½% cumulative Series A, redeemable at a premium reducing from 4% to 1%	\$ 5,000,000	\$ 5,000,000
100,000 shares 5½% cumulative Series B, redeemable at a premium reducing from 4% to 1%	10,000,000	10,000,000
30,000 shares 5% cumulative Series C, redeemable at a premium reducing from 5% to 1%	3,000,000	3,000,000
	<u>\$18,000,000</u>	<u>\$18,000,000</u>

A retirement fund for the purchase of each class of preference shares for cancellation is required to be maintained in the amounts of \$100,000 for the Series A shares, \$200,000 for the Series B shares, and \$60,000 for the Series C shares (see Note 6).

NOTE 5

COMMON SHARES

During the year, 35,500 common shares were issued for \$231,445 cash.

Under the terms of the Restricted Stock Option Plan approved by the common shareholders on November 19, 1956, 890,874 common shares have been set aside for purchase by key employees. At September 30, 1966, 741,466 shares had been issued under this plan and options are outstanding on 2,000 shares at \$9.16875 per share, 26,600 shares at \$11.1375 per share and 15,050 shares at \$12.825 per share, for a total of 43,650 shares. The last of these options expires on November 22, 1971. A total of 65 employees hold options under the Restricted Stock Option Plan.

The company is committed to issue 5,340 common shares in partial consideration for the shares of a subsidiary company, upon the subsidiary company obtaining a specified number of customers.

NOTE 6

RETAINED EARNINGS

Retained earnings includes a special account in which has been set aside, in accordance with supplementary letters patent creating the preference shares, an amount of \$360,000 for the purchase of preference shares for cancellation.

NOTE 7

FUNDED DEBT

	Maturity	Outstanding at Sept. 30	1966	1965
The Consumers' Gas Company				
First Mortgage Sinking Fund Bonds				
3½% Series A	1974	\$ 6,880,000	\$ 7,160,000	
5% Series B	1978	17,302,000	17,370,000	
5½% Series C	1983	19,592,000	20,000,000	
4.85% Series D (U.S. \$15,000,000)	1985	16,102,188	16,102,188	
Sinking Fund Debentures				
4½%	1974	5,475,500	5,654,000	
4¾%	1976	7,855,000	7,934,000	
5¾%	1977	5,002,500	5,198,000	
6½%	1979	9,018,000	9,541,000	
6¾%	1981	12,957,000	13,673,000	
5½%	1982	9,531,900	9,828,000	
5¾%	1984	11,000,000	11,000,000	
5¾%	1985	20,000,000	20,000,000	
St. Lawrence Gas Company, Inc.				
First Mortgage Sinking Fund Bonds				
5¼% (U.S. \$3,000,000)	1988	3,248,400	3,248,400	
		<u>143,964,488</u>	<u>146,708,588</u>	
Less balance of sinking fund requirements payable within one year, included in current liabilities		1,217,862	884,000	
		<u>\$142,746,626</u>	<u>\$145,824,588</u>	

Aggregate sinking fund instalments due on the presently outstanding funded debt, amount to approximately \$3,465,000 in 1968 and \$4,458,000 in 1969.

Notes to Financial Statements (Continued)

The CONSUMERS' GAS COMPANY and subsidiary companies

NOTE 8 INCOME TAXES

As a result of claiming for tax purposes (i) certain interest and overhead amounts and exploration and development costs treated in the accounts as cost of depreciable assets and (ii) capital cost allowances, which together exceed the amount of depreciation charged to income in the accounts, income taxes have been reduced by the following amounts:

	Year ended September 30, 1966	Accumulated amount to September 30, 1966
Income tax deductions in respect of amounts referred to in (i) above, in excess of recorded depreciation applicable thereto	\$ 851,000	\$ 6,586,000
Income tax reductions in respect of excess of capital cost allowances over the remainder of recorded depreciation	3,102,000	24,817,000

The accumulated amount to September 30, 1966 of such income tax reductions has been adjusted to reflect income tax assessments received to date. Under present tax rules and present rates of recording depreciation, income tax reductions arising from claiming capital cost allowances in excess of recorded depreciation will occur for at least 13 years if there are no changes whatsoever in the companies' present depreciable assets and for an extended period beyond 13 years if the companies continue to expand their facilities and services.

Auditors' Report

MONTREAL OTTAWA
TORONTO CHATHAM
WINNIPEG CALGARY
VANCOUVER

GUNN, ROBERTS AND Co.

CHARTERED ACCOUNTANTS

TO THE SHAREHOLDERS OF
THE CONSUMERS' GAS COMPANY:

We have examined the consolidated balance sheet of The Consumers' Gas Company and subsidiary companies as at September 30, 1966 and the consolidated statements of income and retained earnings for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying consolidated balance sheet and consolidated statements of income and retained earnings present fairly the financial position of the companies as at September 30, 1966 and the results of their operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

We have also examined the accompanying consolidated statement of source and use of funds for the year ended September 30, 1966. In our opinion the statement presents fairly the sources and uses of funds for the year.

Gunn, Roberts and

TORONTO, CANADA
NOVEMBER 7, 1966.

Chartered Accountants.

Statistical Information NOTE 1

	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957
Gas Sales										
Residential	\$52,432,150	\$49,999,571	\$42,649,575	\$39,694,378	\$33,457,232	\$30,681,062	\$28,138,250	\$24,012,050	\$17,813,574	\$13,329,789
Commercial	19,853,176	16,202,581	12,133,160	9,952,656	8,158,151	7,173,416	5,796,789	4,304,337	3,388,918	2,649,462
Industrial	24,897,322	22,664,474	20,715,263	17,227,592	14,526,784	12,409,570	9,479,569	7,914,562	6,254,566	4,414,030
Other Utilities										
TOTAL GAS SALES	97,182,648	88,866,626	75,497,998	66,874,626	56,142,167	50,264,048	43,414,608	36,323,105	28,527,121	20,908,171
Other Operating Revenue										
Interest (including merchandise finance plans) and property rentals	4,365,923	3,540,708	2,991,073	2,333,163	1,638,655	1,443,636	1,438,280	835,542	344,779	161,269
Profit on sale of property and other income	1,452,573	1,685,554	1,797,888	1,218,965	1,089,641	1,378,730	1,040,728	1,251,492	981,046	514,936
265,172	34,744	107,915	332,879	376,823	29,849	142,525	103,406	83,766	35,533	
103,266,316	94,127,632	80,394,874	70,759,633	59,247,286	53,116,263	46,036,141	38,513,545	29,936,712	21,619,909	
Operation and Maintenance Costs										
Amortization of natural gas conversion expense	67,464,984	54,726,535	48,861,328	41,003,320	36,894,818	31,121,885	25,989,224	21,120,229	14,432,188	
Depreciation										
Municipal and other taxes	7,000,655	6,340,559	5,780,839	4,576,698	3,710,622	3,276,433	2,880,914	2,318,595	1,832,147	1,510,067
Interest on long term debt	2,514,099	2,277,667	2,128,649	1,786,135	1,360,180	1,553,871	1,535,920	1,136,251	1,071,284	895,955
Amortization of debt discount and expenses	7,789,584	6,930,196	5,932,484	5,085,286	4,005,254	3,575,076	2,947,273	2,452,406	2,122,636	1,356,524
Other Expenses (including other interest)	107,793	100,604	143,005	126,907	109,415	105,873	96,785	89,648	77,658	52,535
351,291	894,996	1,172,041	374,332	164,186	459,987	1,090,588	627,995	297,116	234,987	
85,228,406	78,729,477	69,883,553	60,810,686	51,254,775	46,115,112	39,921,871	32,856,500	26,750,439	18,697,811	
Income before income taxes	18,037,910	15,398,155	10,511,321	9,948,947	7,992,511	7,001,151	6,114,270	5,657,045	3,186,273	2,922,098
INCOME TAXES	4,595,074	3,668,231	906,817	1,387,000	605,000	671,100	987,000	1,600,000	587,650	943,157
NET INCOME	\$13,442,836	\$11,729,924	\$ 9,604,504	\$ 8,561,947	\$ 7,387,511	\$ 6,330,051	\$ 5,127,270	\$ 4,057,045	\$ 2,598,623	\$ 1,978,941
NUMBER OF ACTIVE CUSTOMERS (year end)										
Residential	319,029	310,739	295,032	275,178	254,020	240,188	230,673	221,535	211,773	182,910
Commercial	20,837	18,530	17,190	15,876	14,348	13,334	12,270	10,770	9,646	7,311
Industrial	4,087	4,043	3,734	3,561	3,101	2,978	2,855	2,611	2,507	2,079
TOTAL	343,953	333,312	315,956	294,615	271,469	256,500	245,798	234,916	223,926	192,300
NUMBER OF SHAREHOLDERS										
Common	22,757	21,589	18,886	14,908	13,812	12,933	9,142	8,532	9,031	7,896
Preferred	2,290	2,350	2,401	2,411	2,449	2,478	2,481	2,587	851	884
NUMBER OF EMPLOYEES	2,053	2,081	2,150	2,288	2,126	2,042	2,088	2,151	1,987	1,698

	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957
GAS SUPPLY—MCF										
Natural gas purchased	109,093,472	95,720,808	82,302,747	72,355,506	58,400,954	49,929,949	39,350,670	31,369,280	26,030,826	15,332,384
Natural gas produced	189,373	69,741	46,263	24,882	111,239	120,833	110,645	151,805	99,781	84,500
Coal and Water gas produced . . .	—	—	—	—	—	—	—	—	59,139	45,218
Propane-air gas produced	—	—	—	—	—	74,281	53,171	30,067	43,145	25,224
TOTAL GAS SUPPLY	109,282,845	95,790,549	82,349,010	72,380,388	58,512,193	50,125,063	39,514,486	31,551,152	26,232,891	15,488,326
GAS DELIVERIES—MCF										
Sales to Customers										
Residential	40,885,115	38,882,646	32,183,679	29,841,991	24,729,910	22,186,572	19,792,414	16,500,480	11,433,033	7,767,120
Commercial	21,306,370	16,917,595	11,323,456	8,703,779	6,846,802	5,784,517	4,345,792	2,899,394	1,992,883	1,421,208
Industrial	41,212,495	38,203,403	36,276,846	29,222,772	25,336,335	20,574,307	13,404,438	9,702,777	7,234,588	4,735,888
Other Utilities	—	—	—	—	—	—	—	187,589	2,020,831	978,748
TOTAL SALES	103,403,980	94,003,644	79,783,981	67,818,542	56,913,047	48,545,396	37,542,644	29,290,240	22,681,335	14,902,964
Gas into storage	18,092,912	17,096,301	13,972,464	13,314,061	8,900,264	7,013,673	5,274,731	5,072,859	3,705,861	153,518
Gas out of storage	(13,521,412)	(16,067,346)	(11,658,440)	(9,558,155)	(8,059,143)	(5,802,426)	(3,786,188)	(3,410,423)	(965,578)	(112,002)
Used by company	178,366	175,166	159,190	154,801	131,572	130,058	111,504	85,202	70,242	48,554
Unbilled and unaccounted for . . .	1,128,999	582,784	91,815	651,139	626,453	238,362	371,795	513,274	741,031	495,292
TOTAL GAS DELIVERIES	109,282,845	95,790,549	82,349,010	72,380,388	58,512,193	50,125,063	39,514,486	31,551,152	26,232,891	15,488,326
MAXIMUM DAILY SENDOUT—MCF . . .	524,248	489,659	416,557	370,813	305,644	262,262	205,273	177,677	136,552	84,033
MINIMUM DAILY SENDOUT—MCF . . .	102,031	94,827	84,437	69,333	63,113	47,212	40,436	26,116	25,468	18,391
DEGREE DAY DEFICIENCY (Note 2) .	6,891	6,965	6,556	7,222	6,700	6,950	6,862	7,091	6,639	6,464
AVERAGE USE PER RESIDENTIAL CUSTOMER—MCF	126.8	125.2	110.5	111.4	100.5	94.6	87.5	76.2	57.9	43.9
Cost to Customers										
AVERAGE REVENUE PER MCF										
Residential	\$ 1.28	\$ 1.29	\$ 1.33	\$ 1.33	\$ 1.35	\$ 1.38	\$ 1.42	\$ 1.46	\$ 1.65	\$ 1.72
Commercial	\$.93	\$.96	\$ 1.07	\$ 1.14	\$ 1.19	\$ 1.24	\$ 1.33	\$ 1.48	\$ 1.70	\$ 1.86
Industrial	\$.60	\$.59	\$.57	\$.59	\$.57	\$.60	\$.71	\$.82	\$.86	\$.93
MILES OF MAINS IN USE (equivalent 3")	10,449	10,333	10,170	9,693	9,231	8,426	7,864	7,252	6,678	5,073
AREA SERVED (Square Miles)	1,624	1,516	1,503	1,484	1,363	1,204	1,069	1,019	790	460

Note 1: Figures shown are on a consolidated basis.

Note 2: Degree day deficiency figures given are those for Toronto area. The deficiency is a measure of coldness during the heating season and is calculated by adding together the total number of degrees by which the daily mean fell below 65° on those days when it did so.

Corporate Information

The Consumers' Gas Company

Incorporated under the laws of the Province of Canada March 23, 1848

GENERAL OFFICE
19 Toronto Street, Toronto, Ontario

REGISTRAR, TRANSFER AND DIVIDEND
DISBURSING AGENT
Eastern & Chartered Trust Company
1901 Yonge St., Toronto 7

REGISTRAR AND
TRANSFER AGENTS
Eastern & Chartered Trust Company
625 Dorchester Blvd. W., Montreal
Canada Permanent Trust Company
Pender & Seymour Sts., Vancouver
Bankers Trust Company
16 Wall Street, New York

TRUSTEE
3 3/4% FIRST MORTGAGE SINKING FUND BONDS, SERIES A
5% FIRST MORTGAGE SINKING FUND BONDS, SERIES B
5 1/2% FIRST MORTGAGE SINKING FUND BONDS, SERIES C
4.85% FIRST MORTGAGE SINKING FUND BONDS, SERIES D (U.S. Funds)
Canada Permanent Trust Company
253 Bay Street, Toronto

TRUSTEE
4 1/4%, 4 3/4%, 5 1/2%, 5 5/8%, 5 3/4%, 6% AND 6 1/2% SINKING FUND DEBENTURES
Crown Trust Company
302 Bay Street, Toronto

TRUSTEE
5 1/4% FIRST MORTGAGE SINKING FUND BONDS,
ST. LAWRENCE GAS COMPANY, INC.
Bankers Trust Company
16 Wall St., New York

NEW COOK BOOK PLAYS IMPORTANT ROLE



*This is
Your Company*

Again this year, we extend an invitation to you to take full advantage of the benefits offered by natural gas. In addition to the many uses familiar to you, developments in the gas industry and advancements in equipment are being made constantly, resulting in new products, new applications, and improved performance for customers.

As a shareholder, you will want to know about these developments and what they can mean to you.

For your convenience, to obtain this information for yourself or your friends, simply use the postage paid reply card below, directed to my personal attention.

Yours sincerely,

President and General Manager.

The advantages of Gas cooking are excitingly illustrated in "Discovering Canadian Cuisine", the new cook book developed by the Gas Industry for use during Canada's Centennial. Consumers' Gas Home Service Department, our Miss Betty Bright, helped prepare the recipes, arrange the food in tempting display and supervise the photography in full colour. The result is an outstanding publication which is being sold at cooking schools, exhibitions and at Company offices for \$1.00 per copy. Copies are available FREE, postpaid, to shareholders as a special offer. Use this reply card for your copy. →

NEW COOK BOOK PLAYS IMPORTANT ROLE IN COMPANY PROMOTION



The advantages of Gas cooking are excitingly illustrated in "Discovering Canadian Cuisine", the new cook book developed by the Gas Industry for use during Canada's Centennial. Consumers' Gas Home Service Department, our Miss Betty Bright, helped prepare the recipes, arrange the food in tempting display and supervise the photography in full colour. The result is an outstanding publication which is being sold at cooking schools, exhibitions and at Company offices for \$1.00 per copy. Copies are available FREE, postpaid, to shareholders as a special offer. Use this reply card for your copy. →



"Discovering Canadian Cuisine"

Selected recipes and full colour illustrations make this attractive new Cook Book a "must" for today's homemaker.

This new book is being promoted extensively by your Company as part of its program to increase the use of Gas for cooking—and as a means of building goodwill for the Company.

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